



GRAIN TRANSPORTATION REPORT

Agricultural Marketing Service
United States Department of Agriculture

June 22, 1998

USDA Report Shows Shift In Modes Of Transportation For Grain. According to a recently released U.S. Department of Agriculture report, grain movements are up significantly, and trucks have replaced railroads as the major mode of transport for grain. Dr. Enrique E. Figueroa, administrator of USDA's Agricultural Marketing Service, said that the report, *Transportation of U.S. Grains: A Modal Share Analysis, 1978-95*, "provides vital information about changes in the competitiveness and relative efficiencies between transportation modes." According to the report, substantial shifts in modal shares of total grain movements developed during 1978-95, particularly between the truck and rail modes. During the 1991-95 period, truck share averaged 41 percent, rail 39 percent, and barge 20 percent. A modal share represents the percent of total volume moved by a particular mode. The report, which updates a 1992 publication, analyzed corn, wheat, soybeans, sorghum, barley, and rye and oats and estimated grain tonnages moved by rail, barge, and truck. Results from the report provide a framework to assess public policies that affect the development and success of the Nation's agricultural transportation infrastructure.

Copies of the report may be obtained by contacting Transportation and Marketing, Agricultural Marketing Service, USDA, Room 1207-S, P.O. Box 96456, Washington, D.C. 20090-6456; telephone (202) 690-1303. An electronic version of this document can be obtained via the World Wide Web at <http://www.ams.usda.gov/tmd/tmdmta.htm>.

USDA Will Host National Summit On Agricultural Transportation. On July 27-28, 1998, the USDA will host a national summit on agricultural transportation. The summit, *Agricultural Transportation Challenges for the 21st Century*, will be held at the Kansas City Airport Marriott in Kansas City, Missouri. Secretary of Agriculture, Dan Glickman, and Secretary of Transportation, Rodney Slater, as well as members of Congress and the Surface Transportation Board, are expected to attend. Other featured guests will include State and local officials; representatives from State departments of transportation; and experts on agriculture, transportation, and rural issues from industry, universities, research organizations, and the public sector. The first day of the summit will cover future trends in agriculture and transportation and how those trends will shape agriculture's need for transportation services, as well as the availability of transportation services for U.S. agriculture. The second day will focus on the current grain logistics situation. A fee of \$40 is required to cover the cost of a luncheon and continental breakfast, along with conference materials to be distributed at the summit. For the most current information, a registration form, and a tentative agenda, check the AMS summit web site at <http://www.ams.usda.gov/tmd/summit>.

The Grain Storage Squeeze Is On! High volumes of wheat are growing across central and western Kansas as grain elevators run out of storage space and begin dumping grain onto the ground. The speed of the harvest is pushing the State's grain storage and transportation system beyond its limits. As the harvest progresses, the June 8 explosion of the DeBruce Grain elevator in Haysville is becoming an increasingly large factor. In addition to the human tragedy (six dead, one missing and presumed dead, and 10 injured), the blast disabled the State's largest grain elevator just as harvest was beginning. DeBruce was a key shipping stopover for the region south and southwest of Wichita. It was also the quickest delivery and turnaround point for grain trucks south and west of town and the only point at which the Central Kansas Railway could deliver a train and get its railcars back the next day. Now, when trucks arrive, they come at a higher price. "Truck rates from Isabel into Wichita have jumped from 15 to 25 cents a bushel (or \$90 per truckload)," says Charles Swayze, manager of the Farmers Co-op Equity Co. at Isabel, in northwest Barber County, KS. In addition, compounding transportation problem is the low price of wheat. A few farmers are not willing to sell at the current price, preferring to wait for a better price over the next few weeks or months, thereby adding to the storage problem. (AP)

This report is prepared by Karl Hacker and Karla Martin, Agricultural Economists, Transportation & Marketing, Agricultural Marketing Service, USDA (202) 690-1304. Report design by Kimberly Vachal, Upper Great Plains Transportation Institute, North Dakota State University. You can retrieve this document from our Automatic Fax System by using the handset on your fax machine and dialing (202) 690-1707. This report can be found on the Internet at www.usda.gov/ams/tmd/grain.htm. E-mail comments to Nick_Marathon@USDA.gov.

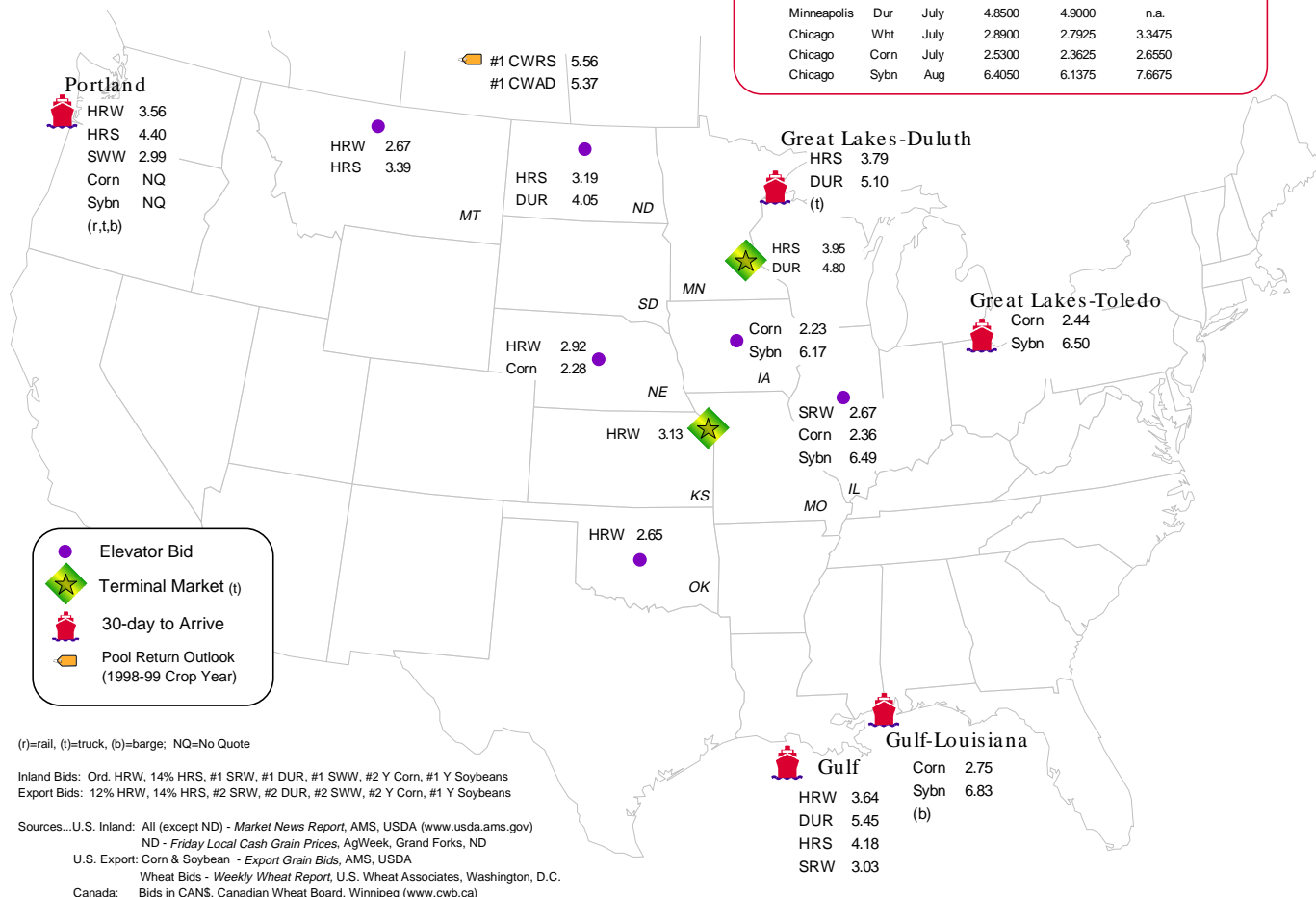
The United States Department of Agriculture (USDA) prohibits discrimination in its programs on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, and marital status. (Not all prohibited bases apply to all programs). Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact the USDA Office of Communications at (202) 720-2791. To file a complaint, write the Secretary of Agriculture, U.S. Department of Agriculture, Washington, DC, 20250, or call (800)245-6340 (voice) or (202)720-1127 (TDD). USDA is an equal opportunity employer.

Grain Bid Summary



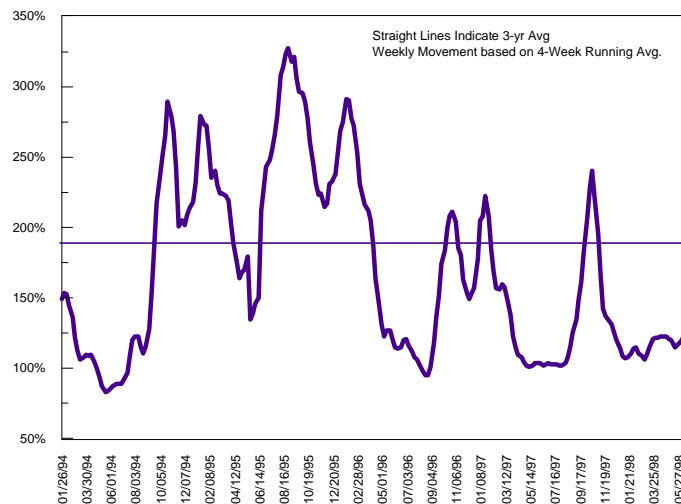
Futures:

			06/19/98	Week Ago 06/12/98	Year Ago 06/20/97
Kansas City	Wht	July	3.0950	2.9950	3.4900
Minneapolis	Wht	July	3.5375	3.4750	3.8025
Minneapolis	Dur	July	4.8500	4.9000	n.a.
Chicago	Wht	July	2.8900	2.7925	3.3475
Chicago	Corn	July	2.5300	2.3625	2.6550
Chicago	Sybn	Aug	6.4050	6.1375	7.6675

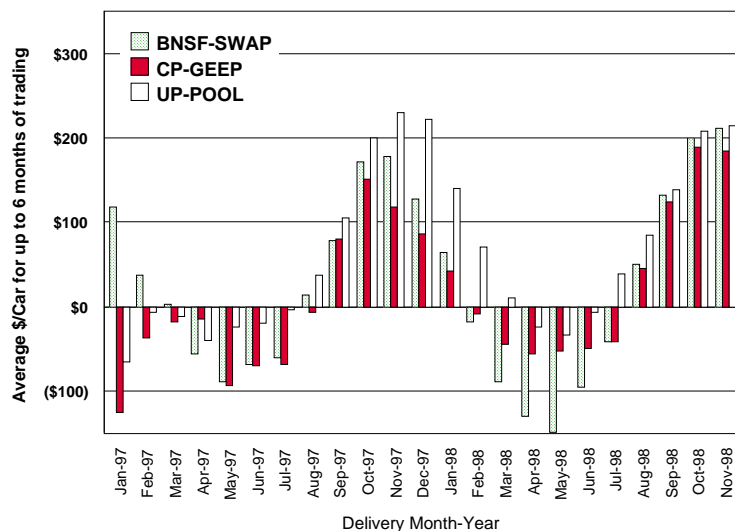


Spot Barge Rate - Illinois River

Index - Percent of Tariff Rate



Secondary Rail Market Bids



See the Grain Trax page at www.ugpti.org for more graphs of rail premiums.

Rail Car 'Auction' Offerings				
Delivery for:	Aug-98		Oct-98	
	<u>Offered</u>	<u>% Sold</u>	<u>Offered</u>	<u>% Sold</u>
BNSF-COT	6,784	51%	6,508	27%
UP-GCAS	5,400	72%	5,400	0%
Source: Transportation & Marketing /AMS/USDA; www.bnsf.com; www.uprr.com				

Secondary Rail Car Market

Average Premium/Discount to Tariff, \$/Car - Last Week

	Delivery Period			
	Jul-98	Aug-98	Sep-98	Oct-98
BNSF-COT	\$(4)	\$28	\$108	\$153
CP-GEEP	\$(24)	\$52	\$102	\$170
UP-Pool	\$38	\$72	\$125	\$103

Source: T&M/AMS/USDA. Data from Atwood/ConAgra., Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.;

GF=Guaranteed Freight, GEEP=Guaranteed Eqpt. Exchange, Pool=Guaranteed Pool
note... bids listed are market INDICATORS only & are NOT guaranteed prices, missing value=No Bid Quoted

Railroad Car 'Auction' Results

Average Premium/Discount to Tariff, \$/Car - Last Auction

Delivery for:	Aug-98	Oct-98	Nov-98
COT/N. Grain	\$36	\$174	\$169
COT/S. Grain	\$71	\$238	\$231
GCAS/Region 2	\$15	no offer	no offer
GCAS/Region 4	\$26	no offer	no offer

Source: T&M/AMS USDA. Data from www.bnsf.com, www.uprr.com.
 (COT=Certificate of Transportation; GCAS=Grain Car Allocation System)

Southbound Barge Freight Nominal Values*

Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

Week ended	River/Region	Contract Period	Rate
6/19/98	Upper Miss.	twk	180-185
		July	180
		August	195
	Mid Miss.	twk	150-175
		July	155
		August	165
	Illinois River	twk	150-170
		July	147.5
	St. Louis	twk	120-125
	Ohio River	twk	100-105
	Lower Miss.	twk	105-125

*Summary Of Daily Barge Trades Reported To St. Louis Merchants Exchange.

twk=this week

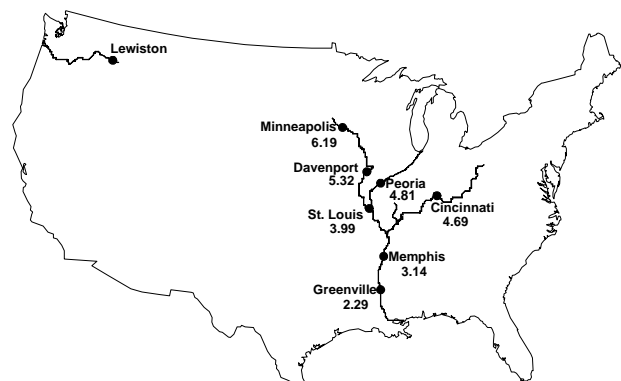
nwk=next week

Barge Benchmark Tariff Rates
Est. 1976 - 'Tariff No. 7'

Southbound Barge Freight Spot Rates

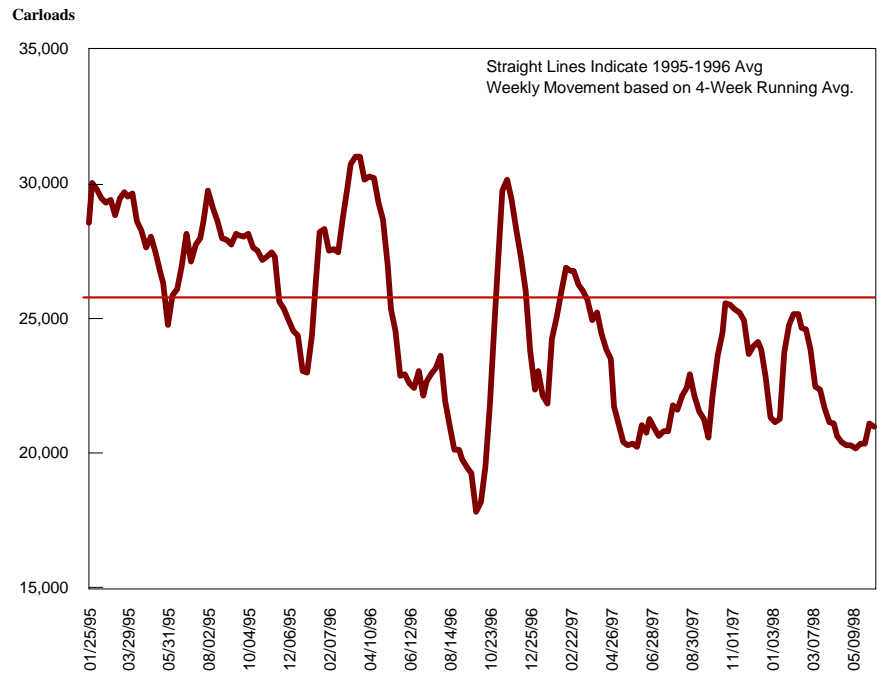
	6/17/98	6/10/98	July '98	Sept '98
Twin Cities	188	168	183	220
Mid-Mississippi	157	145	156	195
Illinois River	148	130	148	183
St. Louis-Cairo	120	105	120	160
Lower Ohio	108	100	120	180
Cairo-Memphis	108	98	110	158

Source: Transportation & Marketing /AMS/USDA
 nq- no quote



Grain Car Loadings for Class I Railroads

Class I Railroad Grain Car Loadings	
Week Ending:	Carloads
5/30/98	20,724
6/6/98	22,086
6/13/98	19,924
Year to Date - 1998	509,932
Year to Date - 1997	544,842
Total 1997	1,199,995
Total 1996	1,235,123
Source: American Association of Railroads	



Class I Rail Carrier Grain Car Bulletin

Carloads

	Conrail	CSXT	East		West			Canada	
			IC	NS	BNSF	KCS	UP	CN	CP
06/13/98	673	2,192	1,751	2,159	6,217	452	6,480	1,639	3,781
This Week Last Year	552	1,888	1,097	2,237	6,507	765	6,812	4,028	5,786
1998 YTD	15,695	56,003	32,961	58,866	185,965	14,980	145,462	57,265	94,964
1997 YTD	11,731	54,937	37,215	56,356	181,528	16,075	183,179	69,558	106,315
1996 Total	31,733	111,509	48,695	131,568	432,687	30,009	439,865	129,714	181,387
1995 Total	37,851	133,755	61,612	139,043	410,274	34,393	447,786		

Source: American Association of Railroads

Tariff Rail Rates for Unit Train Shipments

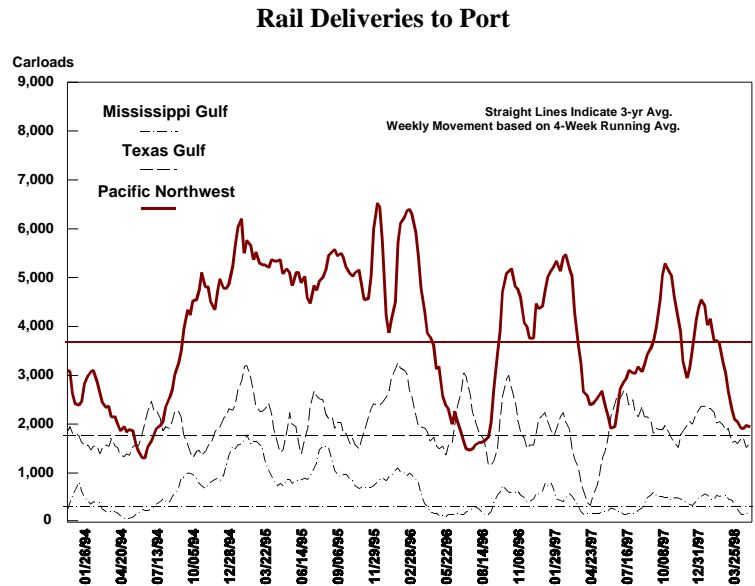
May 1998

Date Effective	Tariff Item	Commodity	Origin	Destination	Rate Per Car	Rate Per MT	Rate/Per Bushel*
05/01/98	45560	Wheat	Minneapolis, MN	Houston, TX	\$2,050	\$18.60	\$0.62
05/01/98	43521	Wheat	Minneapolis, MN	Portland, OR	\$4,027	\$36.54	\$1.21
05/01/98	46540	Wheat	Kansas City, MO	Houston, TX	\$1,450	\$13.16	\$0.44
05/01/98	43586	Wheat	Kansas City, MO	Portland, OR	\$3,812	\$34.59	\$1.14
05/01/98	43581	Wheat	Omaha, NE	Portland, OR	\$3,505	\$31.81	\$1.05
05/01/98	31040	Corn	Minneapolis, MN	Portland, OR	\$2,865	\$22.87	\$0.80
05/01/98	33111	Corn	Kansas City, MO	Houston, TX	\$1,600	\$12.77	\$0.45
05/01/98	31035	Corn	Kansas City, MO	Portland, OR	\$2,600	\$20.75	\$0.73
05/01/98	31040	Corn	Omaha, NE	Portland, OR	\$2,485	\$19.83	\$0.70
05/01/98	61180	Soybean	Minneapolis, MN	Portland, OR	\$3,080	\$27.95	\$0.92
05/01/98	61180	Soybean	Omaha, NE	Portland, OR	\$2,780	\$25.23	\$0.83

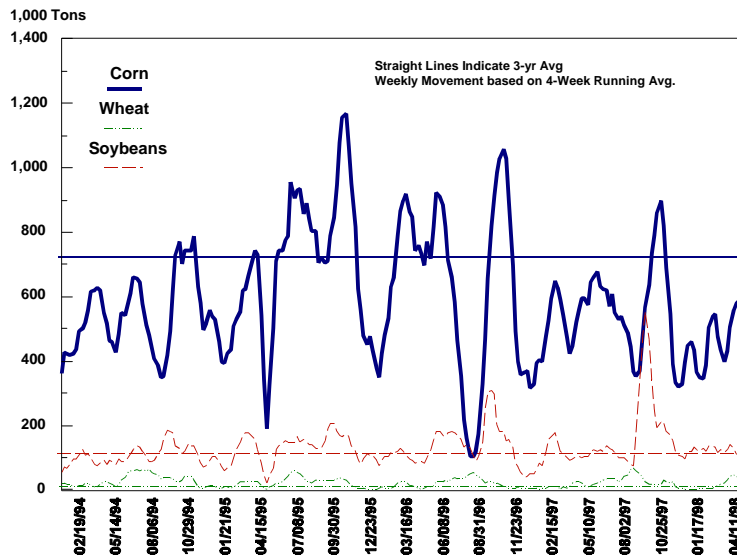
Source: www.bnsf.com

Approximate load per car = 100 tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

Rail Deliveries to Port				
Carloads				
	Mississippi Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf
Week Ending:				
05/27/98	209	1,271	1,737	7
06/03/98	273	1,417	2,257	10
06/10/98	67	1,924	1,738	145
YTD 1998	8,826	44,518	70,659	5,914
YTD 1997	10,123	34,140	96,900	3,042
Total 1997	20,152	93,265	195,953	9,147
Total 1996	25,899	113,804	199,709	11,304
Source: Transportation & Marketing/AMS/USDA				



Barge Movements - Locks 27



Barge Grain Movements

for week ending 06/13/98

	Corn	Wht	Sybn	Total
	1,000 Tons			
Mississippi River				
Rock Island, IL (L15)	371	9	77	459
Winfield, MO (L25)	422	12	100	534
Alton, IL (L26)	609	6	95	712
Granite City, IL (L27)	568	6	118	694
Illinois River (L8)	178	0	6	184
Ohio (L52)	15	7	0	60
Arkansas (L1)	0	12	4	17
1998 YTD	11,504	787	3,612	17,514
1997 YTD	12,495	622	3,257	18,186
Total 1997	29,685	2,689	9,584	45,315
Total 1996	34,210	2,348	8,297	48,963

Miss YTD: Calendar year totals include Miss/27, Ohio/52 and Ark/1.

Source: U.S. Army Corp of Engineers

U.S. Export Balances* (1,000 Metric Tons)

	<i>HRW</i>	<i>SRW</i>	<i>HRS</i>	<u>Wheat</u> <i>SWW</i>	<i>DUR</i>	<i>All</i>	<u>Corn</u>	<u>Soybean</u>	<u>Total</u>
<u>Unshipped Exports-Crop Year</u>									
06/11/98	1,668	303	1,053	646	217	3,887	6,819	1,816	12,522
This Week Year Ago	1,836	886	839	510	386	4,457	8,940	4,442	17,839
<u>Cumulative Exports-Crop Year</u>									
97/98 YTD	186	36	159	66	0	447	28,294	22,599	51,340
96/97 YTD	215	16	286	144	21	682	36,480	22,279	59,441
95/96 Total	9,867	6,792	8,918	6,443	897	32,917	55,769	23,550	112,236
94/95 Total	10,157	5,453	7,686	5,837	893	30,026	54,742	23,410	108,178

Source: Foreign Agricultural Service YTD-Year-to-Date (fas.usda.gov) Crop Year: Wheat=5/31-6/01, Corn & Soybeans=9/01-8/31

Select U.S. Port Regions - Grain Inspections for Export - 1,000 Metric Tons

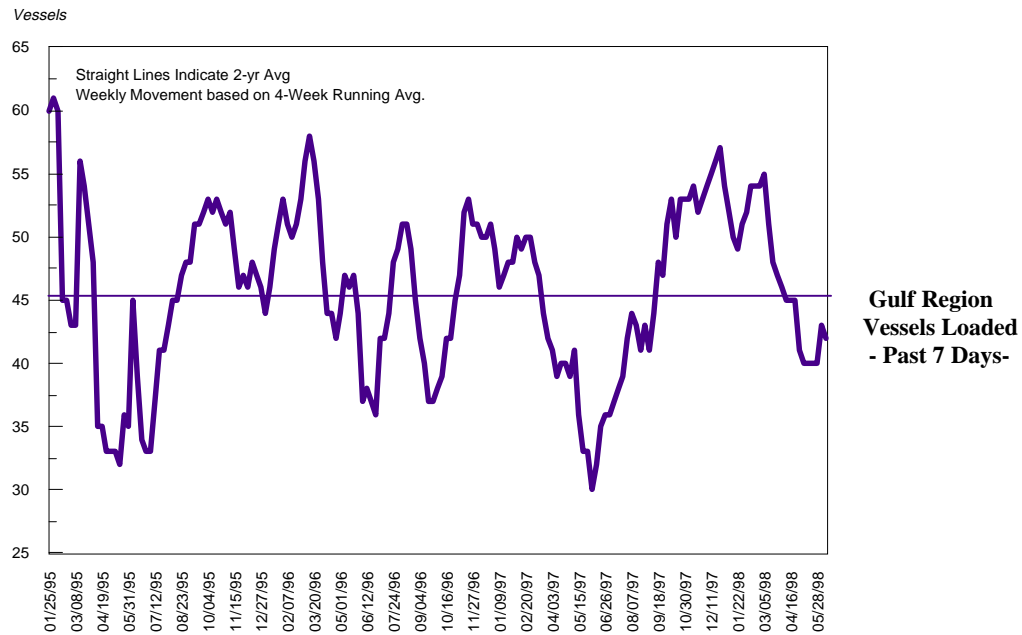
	<u>Pacific Region</u>			<u>Mississippi Gulf</u>			<u>Texas Gulf</u>		
	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>
06/18/98	158	67	0	57	639	79	169	7	0
1998 YTD **	4,489	3,117	399	2,428	12,356	7,346	2,845	185	580
1997 YTD **	5,564	5,579	903	1,753	13,872	8,535	1,197	942	422
% of Last Year	81%	56%	44%	139%	89%	86%	238%	20%	137%
1997 Total	11,156	9,728	1,764	6,349	28,183	18,658	5,106	1,001	1,014
Source: Federal Grain Inspection Service *Year Ago-This Week a Year Ago ** YTD-Year-to-Date									

Select Canadian Ports - Export Inspections

1,000 Metric Tons, Crop Year

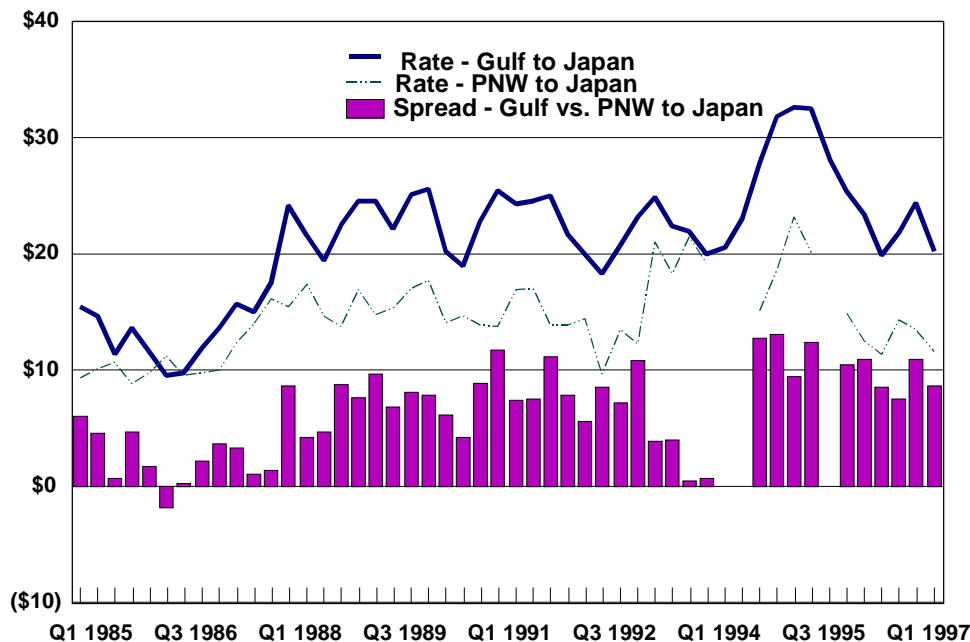
	<u>Wheat</u>	<u>Durum</u>	<u>Barley</u>
Week Ended: 06/18/98			
Vancouver	5,901	1,140	962
Prince Rupert	3,618	31	392
Prairie Direct	986	348	415
Thunder Bay	525	301	302
St. Lawrence	3,328	1,967	7
1997 YTD Exports	14,358	3,787	2,078
1996 YTD Exports	12,371	3,395	3,058
% of Last Year	116%	112%	68%

Source: Canadian Grains Commission *Year Ago-This Week a Year Ago ** YTD-Year-to-Date Crop Year 8/1-7/31



Port Region Ocean Grain Vessels									
	Gulf			Pacific Northwest			Vancouver, B.C.		
	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>
06/11/98	26	38	50	7			3	6	1
06/18/98	23	49	56	7			5	3	5
1997 Range	(11..52)	(25..61)	(31..89)						
1996 Range	(17..46)	(38..61)	(27..88)						
1997 Avg	37	46	62						
1996 Avg	31	45	60						
1995 Avg	31	46	61						
Source: Transportation & Marketing /AMS/ USDA									

US\$/Metric Ton



Quarterly Ocean Freight Rates

Quarterly Ocean Freight Rates

Weighted Average Rates & Vessel Size, U.S. Dollars/Metric Ton - Basis

	1998 1 st Qtr	1997 1 st Qtr	% Change		1998 1 st Qtr	1997 1 st Qtr	% Change
Gulf to				Pacific NW to			
Japan	\$18.24	\$25.29	-28%	Japan	\$10.08	\$15.08	-33%
Mexico	\$12.15	\$17.99	-32%	Red Sea/ Arabian Sea		\$20.17	
Venezuela	\$11.13	\$16.73	-33%				
N. Europe	\$9.85	\$12.60	-22%	Argentina to			
N. Africa	\$14.65	\$18.84	-22%	N. Europe	\$12.32	\$17.98	-31%
				Japan	\$20.93	\$33.64	-38%

Source: Transportation & Marketing/AMS/USDA

Ocean Freight Rates

Export Region	Import Region	Grain	Month	Volume Loaded (Tons)	Freight Rate (\$/Ton)
Gulf	Lisbon/Hamburg	Heavy Grains	July	58,000	\$8.40
Gulf	Algeria	Wheat	June	25,000	\$16.50
Gulf	Casablanca (Morocco)	Heavy Grains	June	30,000	\$12.25
Gulf	Indonesia	Heavy Grains	June	35,000	\$19.00
Gulf	Kosichang	Heavy Grains	June	45,000	\$14.00
Gulf	Taiwan	Heavy Grains	June/July	30,000	\$19.00
Gulf	So. Korea	Heavy Grains	June/July	42,000-54,000	\$13.50-14.50
Gulf	Japan	Heavy Grains	June/July	33,700-54,000	\$14.70-16.50
River Plate & BBlanca	Japan	Heavy Grains	June	52,000	\$17.00
Ilichevsk (Ukraine)	So. Korea	Wheat	June	55,000	\$13.50

Source: Maritime Research Inc.